

## **Grants Management System Payments Frequently Asked Questions**

### **General Information**

- 1Q. Who can submit requests for reimbursement?
- 1A. The authorized representative or someone the authorized representative has designated as the Financial Contact (bookkeeper) through the Portal. The payments component of the grants management system has its own set of assurances that must be accepted by the authorized representative. If designating another individual to submit requests, the District/ESU should consider whether that person can be held responsible for meeting those assurances. A person other than the authorized representative can be designated and approved, through the Portal, as a data entry person. A data entry person can enter the information and must then submit the reimbursement request to the authorized representative who submits it to the Department.
- 2Q. Will payments and reimbursement requests be made in whole dollars?
- 2A. Yes. Amounts should be rounded down to the nearest dollar.
- 3Q. Will the payment and reporting system handle negative amounts such as might be needed for journal entries and fund transfers?
- 3A. Yes. Transactions like these must be explained in the comments box to facilitate approval of the requests for payments. See additional information under Supporting documentation below.
- 4Q. Can advances be requested or obligated funds be reported for the programs in the NCLB Consolidated Application?
- 4A. No. The system will only accommodate reimbursement requests for the 2004-2005 school year.
- 5Q. When a payment is made for the NCLB Consolidated Application, how will an agency know which funds from which programs are included?
- 5A. The payments from the grants management system will include all approved requests in one payment. To identify the grant programs paid, go to the NDE homepage ([www.nde.state.ne.us](http://www.nde.state.ne.us)) and click on the Payments link in the column on the left side of that page. We are in the process of developing a way to present this information within the payments component of the grants management system.
- 6Q. Can payments be made for an application that has not been approved or an amendment that has not been approved?
- 6A. No, payments will only be made for approved applications or approved amendments to that application.

### **Reimbursement Requests**

- 7Q. How are reimbursement requests processed in the grants management payment system?
- 7A. The grants management system provides the amounts by major object code for each approved budget. The District/ESU selects the program to report, uses the pull-down menu to identify the object code for the expenditures, and enters the amount that has been spent. The grants management system will check to see if a) there is an approved amount in that object code and b) the request is within the allowable variance for the approved

amount. The allowable variance is the greater of 25% of the approved total object code or \$2,500 of the approved amount of that object code. The grants management system will not allow a user to enter an amount larger than this variance or to enter expenditures if there are no funds approved in the budget for that object code. In either case, an error message will appear.

- 8Q. When should the District/ESU request reimbursement?
- 8A. When the District/ESU has spent any of the NCLB funds, they can go into the Payments section of the NCLB Consolidated Application and request reimbursement for those expenditures. There is no limit or timelines for submitting reimbursement requests. Requests for reimbursement can be submitted for all programs in the NCLB Consolidated Application at the same time or for any one program.
- 9Q. Can an applicant submit a reimbursement request for 100% of an approved amount?
- 9A. Yes. Every request for reimbursement must be accompanied by the supporting documentation for those expenditures.
- 10Q. How will the system allow indirect costs to be claimed?
- 10A. The pull down menu of object code on the "Reimbursement Request" page will contain an option to select indirect costs. It is important to note that indirect costs are calculated on actual expenditures in all the object codes except Object Code 500. This means that if the agency has reported expenditures that vary from the originally approved budget, the amount of funds allowable for indirect costs may vary from the amount calculated in the original budget. Indirect costs cannot be claimed unless approved in the budget.
- 112Q. Why are comment boxes provided?
- 11A. Whenever you want to provide a written explanation that will assist the NDE staff in approving your request(s), you should use the comment box that is available on this page. There are comment boxes for the NDE Financial Services staff to use when approving the reimbursement requests or financial reports to convey messages/information to the agency.

### **Submitting Supporting Documentation**

- 12Q. When will applicants need to submit supporting documentation?
- 12A. **For the 2004-05 school year, supporting documentation is required with each request for reimbursement.**
- 13Q. What is meant by supporting documentation?
- 13A. The supporting documentation is period to-date full general ledger report at the transaction (vendor/payee) level for all the NCLB programs for which either scheduled payments or reimbursement requests have been made. Summary reports do not provide sufficient information. If your accounting system report includes general activities information such as Activity Fund, Petty Cash, Charge Account, etc., the vendor/payee, original transaction date, and description must be provided for these transactions.

Data from your accounting system can be "cut and pasted" or exported into a spreadsheet or produced in a .pdf file and submitted electronically through the grants management system. To submit more than one file, SAVE the page and then add the next file, and repeat as needed.

Supporting documentation can also be mailed to the Financial Services section of the Department. The payments component of the system replaces the reporting forms used previously (NDE 28-003, etc.). If mailing documentation, select this option on the Reimbursement Request page and **please** print the Reimbursement Request page from the grants management system and submit it with your supporting documentation. Any delay in submitting supporting documentation will delay payment approval and processing.

- 14Q. What if the supporting documentation does not support a request for reimbursement?
- 14A. If the documentation does not support the amount being claimed, the request is returned with comments and no payment will be made.
- 15Q. What documentation is needed for journal entries?
- 15A. Journal entries must be identifiable in the supporting documentation which should identify the original transaction date, vendor and amount. The date of the journal entry should be entered into the Reimbursement Request and be further explained in the comment boxes.
- 16Q. What documentation should be submitted for indirect costs?
- 16A. Indirect costs can only be used for general activities in an agency that support a grant program. Refer to the Nebraska Department of Education's State and Federal Grant Management Guidance and Requirements for further information on indirect costs.

### **Closeout and the Final Reimbursement Request**

- 17Q. What is the due date for submitting a Final Reimbursement Request?
- 17A. NDE is changing the guidance for the due date for submitting a Final Reimbursement Request to 45 days after the end of the project year unless a program there is statutory language specifying a different timetable. For all programs in the NCLB Consolidated Application, the due date for submitting a Final Reimbursement Request will be November 15<sup>th</sup> since the project years' end on September 30.
- 18Q. When will the Final Reimbursement Request be available?
- 18A. We anticipate this report being available in October.
- 19Q. What will be required reporting on the Final Reimbursement Request?
- 19A. That depends on what information has already been reported for each program. If all claims have been submitted and payments approved and made, no additional information or action will be needed. If submitting a new claim for reimbursement as part of the Final Reimbursement Request, expenditures not already reported will need to be submitted along with the supporting documentation.
- 20Q. What if there are outstanding obligations when the project year ends?
- 20A. Since the project year ends on September 30, there is a total of 45 days to pay for obligations made during the project year. If there are obligations still outstanding when the Final Reimbursement Request is submitted (by November 15<sup>th</sup>), it depends on whether the obligations were made on current year or on carryover funds. With First In, First Out (FIFO) accounting, all carryover funds are considered to have been spent first and obligations made during the previous year could be paid during the following year if there are sufficient current year funds. However, there may be instances where a project had only carryover funds (i.e., the Migrant program). If a project has only carryover

funds, any outstanding obligations on November 15<sup>th</sup> will become district support. Once the Final Reimbursement Request is submitted and approved, no more claims can be made.

### **REAP-FLEX and Section 6123**

- 21Q. What if a district transferred funds to be used for salaries and fringe benefits?
- 21A. Payments will be made according to the approved budget for each program. Example: A district transferred \$4,000 of Title II-A and \$1,000 of Title II-D funds under REAP-FLEX or Section 6123 to be used to pay a Title I-A teacher. The approved Title I-A budget has \$60,000 budgeted for salary and fringe benefits that is a combination of funds from three programs. When fully implemented in the 2005-06 school year, a payment would use the carryover from Title I funds (if any) first, then Title II-A funds, then the Title II-D funds and then the current year Title I funds.
- 22Q. How does the gms pay when funds are transferred?
- 22A. The grants management system is designed to pay from the original program's carryover funds first and then in numerical order for the rest of the program's carryover funds (if any) and then the current years funds for the programs. However, in this initial year, we made several payments for staff salaries and fringe benefits out of current year funds since carryover had not been moved to the 2004-05 application.
- 23Q. How should a district's accounting system record REAP-FLEX and Section 6123 activities?
- 23A. We have always maintained that districts must track transferred funds by the original grant. Districts can design their accounting systems to match the approved budgets as long as payments are appropriately receipted to the original grant. In the example used above, the district budget does not need a separate line of accounting of the Title II-A and Title II-D funds used to pay the Title I-A teacher.